

1-1 By: Capriglione (Senate Sponsor - Nelson) H.B. No. 1187
 1-2 (In the Senate - Received from the House April 27, 2017;
 1-3 May 4, 2017, read first time and referred to Committee on Business
 1-4 & Commerce; May 15, 2017, reported favorably by the following vote:
 1-5 Yeas 8, Nays 0; May 15, 2017, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Hancock	X			
1-8 Creighton	X			
1-9 Campbell	X			
1-10 Estes	X			
1-11 Nichols	X			
1-12 Schwertner	X			
1-13 Taylor of Galveston			X	
1-14 Whitmire	X			
1-15 Zaffirini	X			

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the authority of a captive insurance company to provide
 1-20 reinsurance.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Section 964.052(a), Insurance Code, is amended
 1-23 to read as follows:

1-24 (a) A captive insurance company may provide reinsurance to
 1-25 an insurer covering the operational risks of the captive insurance
 1-26 company's affiliates, or risks of a controlled unaffiliated
 1-27 business, that the captive insurance company may insure directly
 1-28 under Section 964.051 and:

1-29 (1) employee benefit plans offered by affiliates;

1-30 (2) liability insurance an affiliate must maintain as
 1-31 a prerequisite for obtaining a license or permit if the law requires
 1-32 maintenance of the liability insurance; ~~and~~

1-33 (3) credit life insurance and credit disability
 1-34 insurance offered as a part of, or directly relating to, the
 1-35 operational risks of an affiliate; and

1-36 (4) workers' compensation insurance and employer
 1-37 liability policies issued to affiliates if the insurer that
 1-38 directly issues workers' compensation insurance and employer's
 1-39 liability policies or its licensed, if required by law,
 1-40 administrator or adjuster:

1-41 (A) services all claims incurred during the
 1-42 policy period; and

1-43 (B) complies with all requirements for an insurer
 1-44 under this code, including Chapter 462, and under Title 5, Labor
 1-45 Code.

1-46 SECTION 2. This Act takes effect September 1, 2017.

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